



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



MARK J. SALADINO

TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 625-2249

November 10, 2010

TO: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mark J. Saladino
Treasurer and Tax Collector 

**SUBJECT: SALE OF \$790,905,000 LOS ANGELES COUNTY PUBLIC WORKS
FINANCING AUTHORITY 2010 LEASE REVENUE BONDS**

This memorandum is to advise you that my office successfully priced \$791 million of lease revenue bonds (the "Bonds") on Tuesday, November 9, 2010. The Bonds were structured using a combination of traditional tax-exempt bonds, taxable Build America Bonds and taxable Recovery Zone Economic Development Bonds. As you were informed on November 3rd, proceeds from the sale of the Bonds will be used to finance a total of seven capital projects, including the Hall of Justice Rehabilitation and a new Surgery/Emergency Room at the Harbor-UCLA Medical Center.

The pricing of the Bonds was accomplished in a highly challenging market environment, which saw a significant increase in the supply of new Build America Bonds. In addition, the yields on U.S. Treasury Bonds rose sharply this week and caused borrowing rates to increase for all municipal issuers. My office was able to price the Bonds ahead of much of this market disruption and save the County approximately 10 basis points (0.10%) in yield. The final all-in borrowing cost on the Bonds was 4.52% over a period of 30 years. At \$791 million, this transaction represents the largest capital project bond financing ever completed by the County.

A copy of the final Official Statement for the Bonds will be forwarded to each of your offices as soon as it becomes available. If you have questions regarding the financing, please either contact me directly or have your staff contact Glenn Byers of my office at (213) 974-7175.

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c: Chief Executive Officer